

COMPRESSED FUELS TAX

The Compressed Fuel Act defines compressed fuels as compressed natural gas, liquefied petroleum gas, liquefied natural gas, butane, and any other type of compressed gas or compressed liquid suitable for fueling a motor vehicle, except motor vehicle or diesel fuels.

The tax rate consists of a fixed portion of 12.5 cents per gallon and a variable rate set by the State Tax Board. All

excise taxes are credited to the Highway Trust Fund. The balance is then allocated as applicable between the Highway Restoration and Improvement Bond Fund and the Highway Cash Fund.

Retailers receive a commission of 2% upon the first \$5,000 dollars collected and .5% upon amounts in excess of \$5,000 to offset collection costs beginning on July 1, 1998.

Table 23

COMPRESSED FUELS TAX

Month	1999 Taxable Gallons	1998 Taxable Gallons	Percent Increase or (Decrease)	1999 Tax Due	1998 Tax Due	Percent Increase or (Decrease)
January	132,647	124,191	6.81%	\$29,901	\$30,145	-0.81%
February	73,202	129,212	-43.35	16,417	31,396	-47.71
March	290,404	277,931	4.49	65,262	67,303	-3.03
April	89,868	128,318	-29.96	20,212	28,894	-30.05
May	75,314	88,323	-14.73	16,952	19,841	-14.56
June	220,395	261,445	-15.70	49,449	58,682	-15.73
July	111,259	117,162	-5.04	26,495	27,140	-2.38
August	88,631	96,054	-7.73	21,075	22,269	-5.36
September ...	233,944	251,253	-6.89	55,475	58,127	-4.56
October	111,716	85,498	30.67	26,573	19,761	34.47
November	112,044	116,084	-3.48	26,687	26,959	-1.01
December	279,005	279,876	-0.31	66,260	64,739	2.35
Total	1,818,429	1,955,347	-7.10%	\$420,758	\$455,256	-7.37%

PETROLEUM RELEASE REMEDIAL ACTION FEE

The petroleum release remedial action fee is imposed upon the importer, refiner, or distributor who first sells, offers for sale, or uses petroleum in Nebraska. The fee is three-tenths of one cent (.003) per gallon on motor vehicle fuels such as gasoline and gasohol and one-tenth of one cent (.001) on all other petroleum products.

Revenue from the fee is placed in the Petroleum Release Remedial Action Cash Fund. If the unobligated balance of the fund falls below \$2 million, an additional fee of three-

tenths of one cent per gallon on motor vehicle fuels and one-tenth of one cent per gallon on all other petroleum products will be collected until the cash balance of the fund reaches \$4 million. If the unobligated balance of the fund reaches \$5 million, the Department of Revenue will stop collecting the fee until the unobligated fund balance falls below \$3 million. (Currently, the fee is six-tenths of one cent (.006) per gallon on gasoline and two-tenths of one cent (.002) per gallon on all other petroleum products.)

Table 24

PETROLEUM RELEASE REMEDIAL ACTION FEE

Month	Gallons Subject to the Fee Motor Vehicle Fuels	Other Petroleum Products	1999 Total Gallons	1998 Total Gallons	1999 Total Fee
January	63,480,804	72,525,809	136,006,613	141,577,029	\$788,905
February	59,599,219	68,189,045	127,788,264	124,226,573	740,960
March	72,774,606	92,148,191	164,922,797	134,650,548	931,416
April	70,071,334	83,361,367	153,432,701	152,834,321	880,726
May	75,618,901	84,965,263	160,584,164	156,271,630	935,466
June	80,549,681	88,670,775	169,220,456	164,181,158	990,960
July	80,384,542	98,265,957	178,650,499	173,077,864	1,018,259
August	77,564,778	96,010,393	173,575,171	161,139,826	986,114
September ...	73,187,894	83,171,278	156,359,172	165,653,595	908,205
October	74,123,641	89,534,950	163,658,591	161,876,891	935,718
November	69,708,209	79,691,206	149,399,415	144,755,560	866,448
December	75,481,524	76,792,302	152,273,826	156,827,147	901,310
Total	872,545,133	1,013,326,536	1,885,871,669	1,837,072,142	\$10,884,487

MOTOR FUELS TAX RATES

For 1999 the motor fuels tax rates are as follows: January 1 through June 30, 22.8 cents; July 1 through December 31, 24.1 cents.

Per LB 1161 enacted in the 1998 Legislative Session, motor fuels tax rates will be set semiannually.

The tax rate consists of a fixed portion of 12.5 cents per gallon and a variable rate which is set semiannually. The variable portion of the rate is determined by multiplying the average statewide cost of motor fuels purchased by the State of Nebraska by the variable excise tax percent rate which is set by the State Tax Board.

The semiannual motor fuels tax rate applies to the motor

vehicle fuels, diesel fuel, and interstate motor carrier's tax programs.

Two cents of the fixed portion of the motor fuels tax rate is credited to the Highway Allocation Fund. The remaining 10.5 cents of the fixed portion is credited to the Highway Trust Fund. Revenue generated by the variable portion of the tax rate is credited to the Highway Cash Fund. Motor fuels tax revenue credited to the Highway trust Fund is combined with other sources of highway user revenue and distributed to the Highway Cash Fund (53 1/3 percent) and the Highway Allocation Fund (46 2/3 percent). Highway Allocation Fund revenue is distributed 50 percent to cities and 50 percent to counties.

CHRONOLOGY OF MOTOR FUELS TAX RATES

Effective Date	Aircraft Fuel		Petroleum Release Fee		Gasohol ¢/Gallon	Motor Fuel & Diesel Fuel ¢/Gallon	Variable Excise Tax Percent	Excise Tax ¢/Gallon	Total Tax	
	Gas ¢/Gal.	Jet ¢/Gal.	M.V. Fuels ¢/Gallon	Other Prod. ¢/Gallon					Gasohol ¢/Gallon	M.F. & D.F. ¢/Gallon
Jan. 1, 1989	5	3	—	—	9.5	12.5	10.4	5.7	15.2	18.2
April 1, 1989	5	3	—	—	9.5	12.5	10.4	6.0	15.5	18.5
July 1, 1989	5	3	—	—	9.5	12.5	12.9	9.8	19.3	22.3
Oct. 1, 1989	5	3	0.003	0.001	9.5	12.5	14.2	9.5	19.0	22.0
Dec. 1, 1989	5	3	0.003	0.001	9.5	12.5	14.2	9.5	19.0	22.0
April 1, 1990	5	3	0.003	0.001	9.5	12.5	14.2	10.3	19.8	22.8
July 1, 1990	5	3	0.003	0.001	9.5	12.5	13.8	9.4	18.9	21.9
July 10, 1990	5	3	0.003	0.001	10.5	12.5	13.8	9.4	19.9	21.9
Oct. 1, 1990	5	3	0.003	0.001	10.5	12.5	13.8	8.9	19.4	21.4
Jan. 1, 1991	5	3	0.003	0.001	10.5	12.5	13.8	14.0	24.5	26.5
April 1, 1991	5	3	0.003	0.001	10.5	12.5	13.8	11.4	21.9	23.9
July 1, 1991	5	3	0.003	0.001	10.5	12.5	15.4	11.2	21.7	23.7
Oct. 1, 1991	5	3	0.003	0.001	10.5	12.5	15.4	10.9	21.4	23.4
Jan. 1, 1992	5	3	0.003	0.001	10.5	12.5	15.4	11.3	21.8	23.8
April 1, 1992	5	3	0.003	0.001	10.5	12.5	15.4	9.2	19.7	21.7
July 1, 1992	5	3	0.003	0.001	10.5	12.5	16.4	11.1	21.6	23.6
Oct. 1, 1992	5	3	0.006	0.002	10.5	12.5	16.4	11.5	22.0	24.0
Jan. 1, 1993	5	3	0.006	0.002	12.5	12.5	16.4	12.1	24.6	24.6
April 1, 1993	5	3	0.006	0.002	12.5	12.5	16.4	10.2	22.7	22.7
July 1, 1993	5	3	0.006	0.002	12.5	12.5	15.6	11.8	24.3	24.3
Oct. 1, 1993	5	3	0.006	0.002	12.5	12.5	17.6	11.3	23.8	23.8
Jan. 1, 1994	5	3	0.006	0.002	12.5	12.5	17.6	13.5	26.0	26.0
April 1, 1994	5	3	0.006	0.002	12.5	12.5	17.6	10.9	23.4	23.4
July 1, 1994	5	3	0.006	0.002	12.5	12.5	17.2	11.4	23.9	23.9
Oct. 1, 1994	5	3	0.006	0.002	12.5	12.5	17.2	12.3	24.8	24.8
Jan. 1, 1995	5	3	0.006	0.002	12.5	12.5	17.2	11.7	24.2	24.2
April 1, 1995	5	3	0.006	0.002	12.5	12.5	17.2	11.5	24.0	24.0
June 1, 1995	5	3	0.006	0.002	12.5	12.5	18.7	13.2	25.7	25.7
Oct. 1, 1995	5	3	0.006	0.002	12.5	12.5	18.7	12.3	24.8	24.8
Jan. 1, 1996	5	3	0.006	0.002	12.5	12.5	18.7	12.6	25.1	25.1
April 1, 1996	5	3	0.006	0.002	12.5	12.5	18.7	13.2	25.7	25.7
July 1, 1996	5	3	0.006	0.002	12.5	12.5	16.6	13.9	26.4	26.4
Oct. 1, 1996	5	3	0.006	0.002	12.5	12.5	16.6	12.8	25.3	25.3
Jan. 1, 1997	5	3			12.5	12.5	14.5	12.8	25.3	25.3
April 1, 1997	5	3			12.5	12.5	14.5	12.4	24.9	24.9
July 1, 1997	5	3			12.5	12.5	16.2	12.3	24.8	24.8
Oct. 1, 1997	5	3			12.5	12.5	16.2	12.0	24.5	24.5
Jan. 1, 1998	5	3			12.5	12.5	16.2	12.1	24.6	24.6
April 1, 1998	5	3			12.5	12.5	16.2	10.3	22.8	22.8
July 1, 1998	5	3			12.5	12.5	18.3	11.0	23.5	23.5
Jan. 1, 1999	5	3			12.5	12.5	18.3	10.3	22.8	22.8
July 1, 1999	5	3			12.5	12.5	18.6	11.6	24.1	24.1